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T.R.A. DOCKET ROOM
January 7, 2005

Guy M. Hicks
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VIA HAND DELIVERY

Hon. Pat Miller, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *BellSouth's Motion For The Establishment Of A New Performance Assurance Plan*
Docket 04-00150

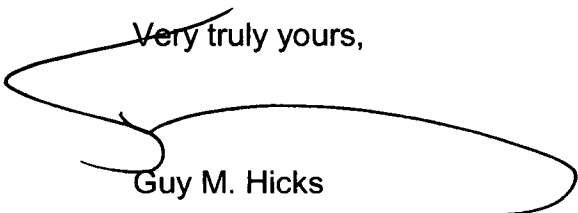
Dear Chairman Miller:

Enclosed is a copy of the narrative portion of BellSouth's *Objections and Responses to CompSouth's First Set of Data Requests* in the referenced matter. Also enclosed is a CD Rom containing the public portions of attachments to the discovery. Due to the volume of the attachments (approximately 7,000 pages), a paper copy of the attachments will not be provided.

A CD Rom containing the proprietary portions of the attachments is being provided under separate cover subject to the terms of the Protective Order entered in this docket.

Copies of the enclosed are being provided to counsel for CompSouth

Very truly yours,



Guy M. Hicks

GMH:ch

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *BellSouth's Motion For The Establishment of a New Performance Plan*

Docket No. 04-00150

BELLSOUTH TELECOMMUNICATIONS, INC.'S
OBJECTIONS AND RESPONSES TO
COMPSOUTH'S FIRST SET OF DATA REQUESTS

BellSouth Telecommunications, Inc. ("BellSouth") hereby files the following Objections and Responses to Competitive Carriers of the South's ("CompSouth") First Set of Data Requests, dated December 15, 2004.

GENERAL OBJECTIONS

1. BellSouth objects to the data requests to the extent they seek to impose an obligation on BellSouth to respond on behalf of subsidiaries, affiliates, or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

2. BellSouth objects to the data requests to the extent they are intended to apply to matters other than those subject to the jurisdiction of the Authority. BellSouth objects to such requests as being irrelevant, overly broad, unduly burdensome, and oppressive.

3. BellSouth objects to each and every data request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.

4. BellSouth objects to each and every request insofar as the requests are vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these interrogatories. Any answers provided by BellSouth in response to the requests will be provided subject to, and without waiver of, the foregoing objection.

5. BellSouth objects to each and every data request insofar as it is not reasonably calculated to lead to the discovery of admissible evidence and are not relevant to the subject matter of this action. BellSouth will attempt to note in its responses each instance where this objection applies.

6. BellSouth objects to providing information to the extent that such information is already in the public record before the Authority.

7. BellSouth objects to CompSouth's requests, instructions and definitions, insofar as they seek to impose obligations on BellSouth that exceed the requirements of the Tennessee Rules of Civil Procedure or Tennessee Law.

8. BellSouth objects to each and every request, insofar as any of them are unduly burdensome, expensive, oppressive, or excessively time consuming as written.

9. BellSouth is a large corporation with employees located in many different locations in Tennessee and in other states. In the course of its business, BellSouth creates countless documents that are not subject to commission or FCC retention of records requirements. These documents are kept in numerous locations that are frequently moved from site to site as employees change jobs or as the business is reorganized. Therefore, it is possible that not every document has been identified in response to these requests. BellSouth will conduct a search of those files that are reasonably expected to

contain the requested information. To the extent that the requests purport to require more, BellSouth objects on the grounds that compliance would impose an undue burden or expense.

10. BellSouth objects to each and every request to the extent that the information requested constitutes “trade secrets”. To the extent that CompSouth requests proprietary confidential business information, BellSouth will make such information available in accordance with the parties’ Protective Agreement and the Protective Order to be entered in this proceeding, subject to any other general or specific objections contained herein.

11. BellSouth also objects to any request to the extent that it seeks confidential information that BellSouth cannot disclose under the FCC’s Customer Proprietary Network Information (“CPNI”) rules, 47 CFR §64.2007 or under protective agreements with CLECs to which BellSouth is a party. BellSouth will only provide CPNI and CLEC confidential information consistent with the FCC’s rules and BellSouth-executed protective agreements.

12. BellSouth objects to any discovery request that seeks to obtain “all” of particular documents, items, or information to the extent that such requests are overly broad and unduly burdensome. Any answers provided by BellSouth in response to this discovery will be provided subject to, and without waiver of, the foregoing objection.

SPECIFIC RESPONSES

REQUEST: Please provide the amount of Tier II remedies that were paid each month for each state in the BellSouth region for the years 2003 and 2004.

RESPONSE: The amount of Tier II remedies that were paid each month for each state in the BellSouth is available to CompSouth, on-line, on the PMAP website at <https://pmap.bellsouth.com>.

However, in an effort to be responsive to this request, the following provides the requested information.

Total Tier 2 Remedy Payments per State for January 2003 through October 2004								
Month	AL	FL	GA	KY	MS	NC	SC	TN
200301	\$ 65,970	\$ 198,350	\$ 183,285	\$ 55,690	\$ 24,420	\$ 51,795	\$ 42,325	\$ 4,200
200302	\$ 113,130	\$ 174,950	\$ 448,483	\$ 62,350	\$ 39,660	\$ 57,150	\$ 71,370	\$ 141,050
200303	\$ 49,210	\$ 225,800	\$ 377,062	\$ 59,410	\$ 4,200	\$ 69,440	\$ 21,890	\$ 155,950
200304	\$ 31,345	\$ 258,500	\$ 134,871	\$ 49,100	\$ 19,740	\$ 62,275	\$ 22,345	\$ 144,450
200305	\$ 11,705	\$ 236,950	\$ 274,520	\$ 13,180	\$ 14,760	\$ 19,510	\$ 24,420	\$ 88,150
200306	\$ 18,455	\$ 204,750	\$ 291,741	\$ 17,675	\$ 31,440	\$ 19,715	\$ 3,360	\$ 118,650
200307	\$ 6,545	\$ 97,150	\$ 328,909	\$ 10,940	\$ 26,940	\$ 13,180	\$ 8,340	\$ 78,400
200308	\$ 18,645	\$ 117,200	\$ 309,558	\$ 15,290	\$ 22,060	\$ 29,975	\$ 390	\$ 77,350
200309	\$ 234,445	\$ 243,400	\$ 948,374	\$ 125,345	\$ 145,860	\$ 197,610	\$ 120,590	\$ 55,300
200310	\$ 59,450	\$ 262,150	\$ 330,550	\$ 22,580	\$ 20,040	\$ 64,655	\$ 23,885	\$ 95,100
200311	\$ 36,347	\$ 249,300	\$ 181,050	\$ 12,545	\$ 1,800	\$ 78,085	\$ 11,305	\$ 86,850
200312	\$ 12,790	\$ 255,950	\$ 122,900	\$ 2,610	\$ 13,270	\$ 143,360	\$ 13,175	\$ 82,600
200401	\$ 6,485	\$ 232,300	\$ 94,875	\$ 3,800	\$ 22,530	\$ 34,025	\$ 14,990	\$ 96,500
200402	\$ 5,790	\$ 269,250	\$ 61,900	\$ 4,555	\$ 9,865	\$ 9,655	\$ 15,695	\$ 119,000
200403	\$ 5,430	\$ 211,000	\$ 58,325	\$ 1,055	\$ 240	\$ 30,320	\$ 25,285	\$ 109,750
200404	\$ 8,750	\$ 174,700	\$ 54,875	\$ 1,750	\$ 3,300	\$ 52,125	\$ 26,450	\$ 97,550
200405	\$ 11,375	\$ 165,450	\$ 140,115		\$ 26,100	\$ 49,200	\$ 25,575	\$ 86,150
200406	\$ 19,250	\$ 211,250	\$ 79,525	\$ 3,500	\$ 27,300	\$ 65,700	\$ 19,425	\$ 70,500
200407	\$ 294,295	\$ 210,100	\$ 615,465	\$ 156,715	\$ 227,240	\$ 43,200	\$ 169,275	\$ 78,300
200408	\$ 46,525	\$ 178,750	\$ 78,600	\$ 5,175	\$ 54,780	\$ 11,460	\$ 17,015	\$ 94,650
200409	\$ 1,000	\$ 10,650	\$ 133,200	\$ 1,875	\$ 1,000	\$ 7,300	\$ 17,800	\$ 104,600
200410	\$ 14,205	\$ 11,400	\$ 82,900	\$ 900	\$ 34,740		\$ 15,025	\$ 85,250

REQUEST: Please provide a detailed comparison of the Aggregate SEEM results and penalties produced by a measure-based and a transaction-based penalty plan using Tennessee data from January through October 2004. Please use the Georgia SEEM plan to approximate the SEEM results for the transaction-based plan. Specifically, for each month and for each submetric, provide the amount that was paid to CLECs and the Commission under the current measure-based plan in Tennessee, as well as the penalties BellSouth would have paid if the transaction-based Georgia SEEM plan had been in place in Tennessee during that same period. Please provide these results for Tier I and Tier II submetrics in both pdf and Excel file formats.

RESPONSE: The requested comparison does not exist and would take approximately one month to develop. Accordingly, BellSouth objects to this request on the grounds that it is overly broad and unduly burdensome. Further, BellSouth objects to the extent the request seeks information that is not relevant nor reasonably calculated to lead to the discovery of relevant evidence, or is beyond the scope of what is required under applicable discovery rules. Subject to and without waiving any objections, given the information provided herein, the requested comparison can be created by CompSouth. If CompSouth chooses to create such a comparison, BellSouth is willing to provide reasonable assistance via the established procedures for addressing questions regarding measurements and SEEM.

Per CompSouth's request, responsive information being produced via BellSouth's ftp link is provided in both Adobe Acrobat (pdf) and Excel file formats.

The current Tennessee plan is a measure-based plan, not the transaction based plan used in Georgia as requested by CompSouth. In order to provide the information as requested, BellSouth would have to reprogram the production system used to calculate monthly SEEM results so that the Tennessee data could, somehow, be processed using the Georgia SEEM programs. This reprogramming effort would require extensive involvement by the same work force that produces monthly results and it

RESPONSE (CONT.):

would likely impact the production cycle and the deadlines for monthly results for all 9 states. The amount of time required to effect this programming is estimated at one month. Even if this programming could be accomplished, additional testing would be required to insure the accuracy of the data. Furthermore, it is questionable as to whether the results produced by such an extensive effort would be an accurate predictor of effect of a transaction based plan on future SEEM payments in Tennessee, since the results would be based on historical data using a GA SEEM plan that varies from the plan BellSouth is proposing in Tennessee. Specifically, while the plan BellSouth is proposing for Tennessee is a transaction based plan, it has many differences from the Georgia plan in such areas as:

1. Fee schedule.
2. The rate of escalation of the fee schedule
3. Georgia has a fixed materiality factor 'Delta' whereas the Tennessee plan utilizes a variable delta factor.
4. Affected volumes are not calculated in the Tennessee plan since affected volumes are not required for a measurement-based plan. Furthermore, the Georgia plan calculates affected volumes using a different methodology than that proposed by BellSouth for use in Tennessee.
5. The measurements in SEEM.
6. The disaggregation of the measurements (submetrics) in SEEM.
7. The performance standards (retail analogs and benchmarks) are not identical.
8. The minimum number of transactions per CLEC.
9. Tier 3

While this list is not exhaustive in depicting the differences in the current Tennessee and Georgia plans, it shows that there are significant differences – other than the fact that the Tennessee plan is measure-based and the Georgia plan is transaction-based.

RESPONSE (CONT.):

BellSouth has attempted to compare the SEEM results in Tennessee under 1) the existing per-measurement plan and, 2) applying a per transaction fee schedule to the Tennessee results. One comparison, Attachment Item 2-1, is available via the public ftp link. This compares actual Tennessee SEEM payments for May through October 2003 for the measurement Customer Trouble Report Rate, versus the SEEM payments resulting from the application of the Georgia transaction-based fee schedule to the Tennessee results. It is critically important to note that this comparison only applies the per-transaction fee schedule to the Tennessee data. It does not use the Georgia SEEM plan for the reasons noted in more detail above.

The files in Attachment Item 2-2 compare actual Tennessee and Florida SEEM payments for all SEEM measurements in effect in both states versus SEEM payments resulting from the application of the Georgia transaction-based fee schedule to the Tennessee and Florida results. These files are available via the public ftp link. The period analyzed is December 2002 – January 2003. Again, this comparison only applies the per-transaction fee schedule to the Tennessee data. It does not use the Georgia SEEM plan.

If CompSouth wishes to attempt to calculate Tennessee SEEM payments using the Georgia Plan, there are two alternatives that CompSouth could pursue, which BellSouth believes would produce a reasonable estimate of the effect of a transaction-based plan in Tennessee.

Alternative 1: The first alternative is to use the Florida data previously provided to the CLEC Coalition in Florida as a part of the last 6 month review concerning a severity mechanism. This data is CLEC-specific and it is at the same level of disaggregation as the current Tennessee SEEM plan. Dr. Robert Bell (AT&T statistician) has participated in the Florida workshops and should be familiar with such data. While models would have to be converted from a measurement-based algorithm to a transaction-based algorithm, this could be done by CompSouth in whatever manner they choose. CompSouth could then apply the Georgia

RESPONSE (CONT.):

SEEM Fee schedule to the number of transactions requiring a SEEM payment.

While the Florida data is for Florida rather than Tennessee, and while it is approximately one year old, BellSouth believes that the impact resulting from such an analysis in Florida would be representative of the effect in Tennessee since the plans in both states are the same. Such an analysis requires much less programming effort and would not disturb the very system used for monthly production.

Alternative 2: A second alternative that is available to CompSouth is to use actual Tennessee data for the period January through October 2004 and perform the analysis outlined in Alternative 1. This data is attached in two files: Attachment 2-3 for the measurements with retail analogs and Attachment 2-4 for the measurements with benchmark performance standards. These Attachments are available via the public ftp link. These files contain the data month, the SEEM submetric, a company code to denote different CLECs for Tier 1 purposes (the codes are randomly generated) and the total affected volume for each. CompSouth can apply the Georgia Fee schedule to this data and generate the SEEM payments under a transaction based plan.

REQUEST: For the most recent six (6) months for which Tennessee data are available, please provide a spreadsheet which displays, by submetric, the volume of transactions for each submetric for each of the six (6) months. Use the same format that BellSouth used to provide the data described in BellSouth's Response to Action Item 4 filed in Florida on October 20, 2004. Please provide the results in both pdf and Excel file formats.

RESPONSE: The requested spreadsheet does not exist and would be time consuming to create. Accordingly, BellSouth objects to this request on the grounds that it is vague, overly broad, and unduly burdensome. Further, BellSouth objects to the extent the request seeks information that is not relevant nor reasonably calculated to lead to the discovery of relevant evidence, or is beyond the scope of what is required under applicable discovery rules. Subject to and without waiving any objections, BellSouth responds to this request as follows: As with Item 1 above, the data required to produce the report requested by CompSouth has also been available to CompSouth each month, on-line, on the PMAP website at <https://pmap.bellsouth.com>, under the "Exhibits" heading, Monthly State Summary section.

The specific spreadsheet requested by CompSouth is not available for Tennessee but it can be created by CompSouth using the data that has been available to CompSouth. Specifically, CompSouth can create this spreadsheet by using the MSS files. These files contain the monthly results of all of the measurements in Tennessee for the CLEC industry.

In the unlikely event CompSouth has not been reviewing and saving these important files, Attachments 3-1 through 3-6 which provides this information are available on the public ftp link. These are the MSS files for the most recent 6 months in Tennessee. Per CompSouth's request, responsive information being produced via BellSouth's ftp link is provided in both Adobe Acrobat (pdf) and Excel file formats.

REQUEST: Has BellSouth performed data modeling scenarios of any kind or other types of test runs or data analysis of the performance plans it has proposed, considered proposing or that it plans to propose for adoption in Tennessee?

- (a) If no, then please explain, with specificity, the reasoning behind why BellSouth chose not to do so?
- (b) If yes, then please identify in detail the data used (i.e., what period and what portion of data was used and was that data manipulated in any fashion before it was used in such modeling and/or analysis).
- (c) Furthermore, please identify and describe each of the software applications / programs that were used to conduct the modeling and/or analysis of the data.
- (d) Please provide copies of all documentation, analysis, and work papers, etc. of any form, describing the modeling and testing of all versions of plans it has proposed, considered proposing or that are planned for proposal by BellSouth in Tennessee. In addition, please provide copies of any and all modeling and/or test results in their native application format as well as in both PDF and Excel file formats.

RESPONSE: Per CompSouth's request, responsive information being produced via BellSouth's ftp link is provided in both Adobe Acrobat (pdf) and Excel file formats.

In addition to the information provided below, please refer to the following Action Items filed in the Florida 6 month review proceeding (Docket 000121A-TP):

- Item 4 of the Oct 20, 2004 filing.
- October 29, 2004 filing.

(a), (b) See Attachments 4 provided via BellSouth's ftp link. The public Attachments are available via the public ftp link. Some of the Attachments responsive to this request are proprietary and are being

RESPONSES (CONT.):

provided pursuant to the terms of the parties' protective agreement via a secure, password protected ftp link.

- (c) The following is a list of the software applications / programs that were used to conduct the modeling and/or analysis of the data.

Minitab	Excel Solver
QI Macros	MathCAD
Visual Basic	SAS
SQL	TOAD
S-Plus	Access
PowerPoint	Word
Oracle	SQL Server
SQL Navigator	Outlook
Notepad	

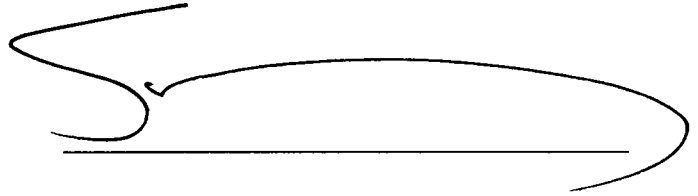
- (d) See Attachments 4 provided via BellSouth's ftp link. The public Attachments are available via the public ftp link. Some of the Attachments responsive to this request are proprietary and are being provided pursuant to the terms of the parties' protective agreement via a secure, password protected ftp link.

CERTIFICATE OF SERVICE

I hereby certify that on January 7, 2005, a copy of the foregoing document was served on the following, via hand delivery, facsimile, overnight, electronic mail or US Mail, addressed as follows:

- ☐ Hand
- ☐ Mail
- ☐ Facsimile
- ☐ Overnight
- ☒ Electronic

Henry Walker, Esquire
Boult, Cummings, et al.
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hwalker@boultcummings.com

A handwritten signature in black ink, appearing to be "H. Walker", is written over a horizontal line. The signature is stylized with a large, sweeping loop.